

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2013 ECARB 00637

Assessment Roll Number: 4080230

Municipal Address: 9421 - 17 Avenue NW

Assessment Year: 2013

Assessment Type: Annual New

Between:

CVG

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF

Steven Kashuba, Presiding Officer

Brian Hetherington, Board Member

Taras Luciw, Board Member

Procedural Matters

[1] Upon questioning by the Presiding Officer, the parties indicated that there was no objection to the composition of the Board. In addition, the Board members indicated that they had no bias in the matter before the hearing.

Preliminary Matters

[2] Both parties indicated that there were no preliminary matters before the hearing.

Background

[3] The subject property is a 6.578 acre lot, located at 9421 17 Avenue NW in the Edmonton Research Park. The complaint was filed solely on the City's \$3,539,486 valuation of the land in developing the 2013 assessment.

Issue(s)

[4] Is the City's land assessment of \$3,539,486 correct?

Legislation

[5] *The Municipal Government Act*, RSA 2000, c M-26, reads:

s 1(1)(n) “market value” means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;

s 467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

s 467(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration

(a) the valuation and other standards set out in the regulations,

(b) the procedures set out in the regulations, and

(c) the assessments of similar property or businesses in the same municipality.

Position of the Complainant

[6] The Complainant presented the Board with an 11 page-brief (Exhibit C-1) to support the complaint, which included four comparable properties that had sold between October, 2010 and September 2011.

[7] The sizes of the Complainant’s sales comparables ranged between 6.18 acres and 7.82 acres, compared to the subject property, which occupied 6.578 acres.

[8] The per acre time-adjusted sales prices of the properties ranged from \$380,085 to \$516,300, compared to the assessment of the subject property at \$538,079.

[9] The Complainant, in describing the comparable sales, told the Board that the first comparable has rural standard servicing with water and sewage holding tanks in place, which accounted for the lower value when compared to the subject property.

[10] The second and third sales were adjacent lots acquired by the same purchaser from different vendors and also of a lower value than what should be considered for the subject.

[11] The Complainant suggested to the Board that the fourth sale fronts on to 76 Avenue, is close in size to the subject and supports his request for a \$500,000 per acre assessment of the subject property, reducing the overall land assessment to \$3,289,000 for a total property assessment of \$11,358,500.

[12] The Complainant explained to the Board that while his request for the overall assessment to be reduced to \$11,538,500 accounted for a reduction of only 2.1% - a figure generally not considered to be a valid cause of complaint – he was requesting a reduction in the value of the land assessment by 7.1%.

Position of the Respondent

[13] The Respondent presented the Board with a 45-page brief (Exhibit R-1) in support of the City’s assessment of \$11,609,000, including the land portion of \$3,539,486.

[14] To support the value of the land assessment, the Respondent presented the Board with a chart of five land sales of similar sized properties located in the southeast quadrant of Edmonton, similar to the subject property. The sales had been concluded between July 2008 and January 2012 and all had an industrial zoning.

[15] The time-adjusted per acre sales prices of those comparable properties ranged from \$572,330 to \$684,208, which compared favourably to the assessment of the land portion of the subject property at \$538,079.

[16] The sizes of the properties in the Respondent's chart ranged from 4.37 to 7.78 acres, compared to the 6.58 acres of the subject property.

[17] In response to questions by the Complainant, the Respondent acknowledged that their comparable sale # 5, the property located at 931 Parsons Road, which was sold in July, 2008 had been purchased for development into a Rona store and was classified on the Network sales document as having CSC zoning, while their other comparable sales properties had industrial zoning.

[18] The Respondent also acknowledged to the Complainant that commercially zoned land would typically have a higher value than that of industrial zoned land.

Decision

[19] It is the decision of the Board to confirm the assessment of the subject property for 2013 at \$11,609,000.

Reasons for the Decision

[20] The Board places little weight on any of the Complainant's four comparable sales.

[21] The first sale had rural standard servicing, using water and sewage holding tanks.

[22] Sales numbers two and three were part of a multiple purchase concluded on the same date by one owner from different vendors, and the fourth was a narrow strip of land that would, by its shape, generate a lower per square foot sales price than a conventionally-shaped lot.


[23] Similarly, the Board was of the opinion that the Respondent's sale # 5 at 931 Parson's Road could not be taken into consideration, in view of its sale having been concluded to establish a large Rona sales outlet. Thus, the zoning was completely non comparable to the subject property.

[24] The Board does, however, accept that the other four sales presented by the Respondent were much more directly comparable to the subject and, as a result, placed considerably more weight on them.

[25] In considering all the sales comparables presented by both parties, the Board was of the opinion that, after evaluating their effective comparability to the subject, the assessment of the subject property was fair and equitable.

Heard on July 2, 2013.

Dated this 11th day of July, 2013, at the City of Edmonton, Alberta.


Steven Kashuba, Presiding Officer

Appearances:

Tom Janzen
for the Complainant

Collin Hindman
Scott Hyde
for the Respondent

This decision may be appealed to the Court of Queen's Bench on a question of law or jurisdiction, pursuant to Section 470(1) of the Municipal Government Act, RSA 2000, c M-26.